

Subpart B [Reserved]

**Subpart C—Requirements Under
Section 104(d) of Housing and
Community Development Act
of 1974**

§ 42.301 Applicability.

This subpart applies only to CDBG grants under 24 CFR part 570, subparts D, F, and I (Entitlement grants, HUD-Administered Small Cities, and State programs); grants under 24 CFR part 570, subpart G (Urban Development Action Grants), and Loan Guarantees under 24 CFR part 570, subpart M; and assistance to State and local governments under 24 CFR part 92 (HOME program).

§ 42.305 Definitions.

The terms *Fair Market Rent (FMR)*, *HUD*, *Section 8*, and *Uniform Relocation Act (URA)* are defined in part 5 of this title. Otherwise, as used in this subpart:

Comparable replacement dwelling unit means a dwelling unit that:

(1) Meets the criteria of 49 CFR 24.2(d)(1) through (6); and

(2) Is available at a monthly cost for rent plus estimated average monthly utility costs that does not exceed the "Total Tenant Payment" determined under § 813.107 of this title, after taking into account any rental assistance the household would receive.

Conversion. (1) This term means altering a housing unit so that it is:

(i) Used for nonhousing purposes;

(ii) Used for housing purposes, but no longer meets the definition of lower-income dwelling unit; or

(iii) Used as an emergency shelter.

(2) A housing unit that continues to be used for housing after completion of the project is not considered a "conversion" if, upon completion of the project, the unit is owned and occupied by a person who owned and occupied the unit before the project.

Displaced person means a lower-income person who, in connection with an activity assisted under any program subject to this subpart, permanently moves from real property or permanently moves personal property from real property as a direct result of the

demolition or conversion of a lower-income dwelling. For purposes of this definition, a permanent move includes a move made permanently and:

(1) After notice by the grantee to move from the property following initial submission to HUD of the consolidated plan required of entitlement grantees pursuant to § 570.302; of an application for assistance pursuant to §§ 570.426, 570.430, or 570.465 that is thereafter approved; or an application for loan assistance under § 570.701 that is thereafter approved;

(2) After notice by the property owner to move from the property, following the submission of a request for financial assistance by the property owner (or other person in control of the site) that is thereafter approved; or

(3) Before the dates described in this definition, if HUD or the grantee determine that the displacement was a direct result of conversion or demolition in connection with an activity subject to this subpart for which financial assistance has been requested and is thereafter approved.

HCD Act of 1974 means the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.).

Lower-income dwelling unit means a dwelling unit with a market rent (including utility costs) that does not exceed the applicable Fair Market Rent (FMR) for existing housing established under 24 CFR part 888.

Lower-income person means, as appropriate, a "low and moderate income person" as that term is defined in § 570.3 of this title, or a "low-income family" as that term is defined in § 92.2 of this title.

Recipient means CDBG grantee, UDAG grantee, or the HOME participating jurisdiction.

Standard condition and *substandard condition suitable for rehabilitation* have the meaning the recipient has established for those terms in its HUD-approved consolidated plan pursuant to 24 CFR part 91. In the case of a unit of general local government funded by a State, either the State's definitions for those terms or the definitions adopted by the unit of general local government for this purpose shall apply.

Vacant occupiable dwelling unit means a vacant dwelling unit that is in a